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FBIS-0092-88

17 MAY 1988

MEMORANDUM FOR: Comptroller

FROM: R. W. Manners
Director, Foreign Broadcast Information Service

SUBJECT: Comments on Pilot Productivity Initiative

REFERENCE: Your Memo for Ex Dir, dtd 8 Apr 88, Same Subject

1. Thank you for your timely response. At this stage we believe the points you raised will not prove to be impediments to the proposal as it is envisioned at FBIS.

2. We fully intend to array Production Group's funds by SOC and we do not plan to modify the existing GS system of compensation. As the project proceeds we shall certainly bear the points you raise in mind.

R. W. Manners

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All Portions SECRET

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SUBJECT: Comments on Pilot Productivity Initiative

C/FBIS/RWManners:sfg/ (16 May 88)

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Distribution:

- Orig - Comptroller (w/att)
- 1 - Ex Dir (w/att)
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- 1 - Production
- 1 - FBIS/Registry

8 April 1988

MEMORANDUM FOR: Executive Director

FROM: Daniel A. Childs, Jr.
Comptroller

SUBJECT: Comments on Pilot Productivity Initiative

1. I do not have any basic problem with the DDS&T's Pilot Productivity Initiative. However, there are two basic points to consider in evaluating the proposal.

- While "combining into one line-item the funding of personal and nonpersonal services" is easily done, it will not eliminate other constraints on the handling of funds.
- We may be required to notify Congress 30 days before the program is initiated. (S)

2. Combining Funds. Pooling personal services and nonpersonal services funds will only free the FBIS Production Group from the requirement to seek Comptroller approval to move funds between those two categories. What they probably want is blanket approval to move any of their funds between sub-object classes (SOCs) without prior Comptroller approval. I am prepared to move in that direction, subject only to congressional restrictions that reprogrammings beyond certain dollar levels or for certain purposes require approval of our committees. (S)

3. Granting a waiver from internal reprogramming guidelines will not relieve the FBIS Production Group of the need to array its funds by SOC within the Agency financial system. Since the Agency's financial system can only store and retrieve the information in SOC format, that requirement cannot be waived. (S)

4. Congressional Notification. I gather that one purpose of the permission to move personal and nonpersonal services funds as needed is to use additional compensation as a reward and/or incentive for greater productivity. While the goal is praiseworthy, it may run against restrictions placed on us in HPSCI's classified annex to the FY 1988 Intelligence Authorization Act. Specifically, HPSCI wrote that:

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"The Committee has not and will not authorize implementation of any major personal management/compensation changes using fiscal year 1987 or 1988 funds until the Commission on Intelligence Personnel Systems established by Section 601 has submitted its report....The Committee considers the authorized programs for fiscal year 1988 to include only those personnel management/compensation programs in effect at the time the budget was submitted and justified. This program should be executed as approved by Congress except for changes agreed to through normal reprogramming or transfer procedures. Further, to allow time for Committee consideration where a program change is contemplated and cannot be submitted for review as part of the annual CIA budget request, the Committee requests that the program proposal be submitted at least 30 days prior to the proposed implementation date."

As is clear from the attached full text of the HPSCI report, the bottom line is that we may have to notify the Committees in advance if personal services funds are augmented. (S)

5. Please let me know if you need anything further on this subject. (U)



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Daniel A. Childs, Jr.

Attachment:
As stated

cc: DDS&T

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SUBJECT: Comments on Pilot Productivity Initiative

Distribution:

Original - ExDir

1 - ExReg

1 - DDS&T

1 - DDS&T Reg

1 - Compt Subject

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D/Comptroller/L.Hazlewood:tlk, /8 April 1988 (COMPT 88-439)

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